

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF ELZIE)	CASE NO. 9521-B
NEELEY GAS COMPANY, INC.)	

O R D E R

On September 2, 1986, the Commission issued its Order in Case No. 9521 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On December 12, 1986, Elzie Neeley Gas Company, Inc., ("Elzie Neeley") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") effective December 7, 1986, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Elzie Neeley's notice of December 12, 1986, set out certain revisions in rates which Elzie Neeley proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$3,768 or 31.87 cents per Mcf.

(2) Elzie Neeley's wholesale cost of gas was decreased by Columbia effective December 7, 1986.

(3) Elzie Neeley should report to the Commission any excess revenues collected during the period from December 7, 1986, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Elzie Neeley's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9521 dated September 2, 1986, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after December 7, 1986.

IT IS THEREFORE ORDERED that:

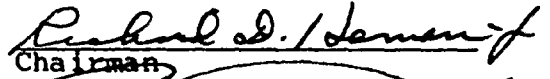
(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after December 7, 1986.

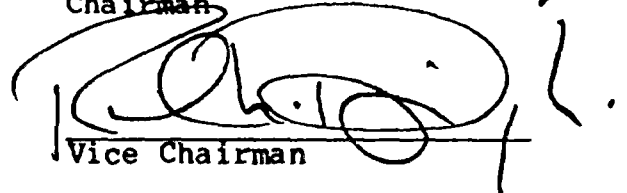
(2) Within 30 days of this Order Elzie Neeley shall report to the Commission any excess revenues collected during the period from December 7, 1986, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

(3) Within 30 days of the date of this Order Elzie Neeley shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 5th day of January, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9521-B DATED 1/5/87

The following rates and charges are prescribed for the customers served by Elzie Neeley Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf	\$6.806 Per Mcf
Over 1 Mcf	\$5.836 Per Mcf

Minimum Bill

The minimum bill shall be \$6.806

The base rate for the future application of the purchased gas adjustment clause of Elzie Neeley Gas Company, Inc., shall be:

Commodity

Columbia Gas of Kentucky, Inc.	\$4.0603 per Mcf
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